

CMS Manual System

Pub 100-04 Medicare Claims Processing

Transmittal 803

Department of Health & Human Services (DHHS)

Centers for Medicare & Medicaid Services (CMS)

Date: JANUARY 3, 2006

Change Request 4234

SUBJECT: Administration of Drugs and Biologicals in a Method II Critical Access Hospital (CAH) - RESCINDS AND REPLACES Change Request (CR) 3911

I. SUMMARY OF CHANGES: This instruction replaces CR 3911. It provides revised HCPCS coding guidance for the billing of Low Osmolar Contrast Material (LOCM) in a Method II CAH.

NEW/REVISED MATERIAL

EFFECTIVE DATE: April 3, 2006

IMPLEMENTATION DATE: April 3, 2006

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated)

R = REVISED, N = NEW, D = DELETED – *Only One Per Row.*

R/N/D	Chapter / Section / SubSection / Title
R	3/30/30.1.3/Costs of Emergency Room On-Call Providers
R	4/250/250.8/Coding for Administering Drugs in a Method II CAH
R	4/250/250.8.1/Coding for Low Osmolar Contrast Material (LOCM)
R	4/250/250.8.2/Coding for Administration of Other Drugs and Biologicals

III. FUNDING:

No additional funding will be provided by CMS; Contractor activities are to be carried out within their FY 2006 operating budgets.

IV. ATTACHMENTS:

Business Requirements

Manual Instruction

**Unless otherwise specified, the effective date is the date of service.*

Attachment - Business Requirements

Pub. 100-04	Transmittal: 803	Date: January 3, 2006	Change Request 4234
-------------	------------------	-----------------------	---------------------

SUBJECT: Administration of Drugs and Biologicals in a Method II Critical Access Hospital (CAH) Hospitals--RESCINDS and REPLACES Change Request (CR) 3911

I. GENERAL INFORMATION

A. Background: This instruction replaces CR 3911, Transmittal 617, which was rescinded on November 08, 2005. It provides new billing instructions for physician involvement (professional component) in the administration of drugs and biologicals in the outpatient department of a Method II (Optional Method) CAH.

The regulation set forth at 42 CFR 413.70 governs how physician involvement in the administration of drugs and biologicals (other than Low Osmolar Contrast Material (LOCM)) should be billed by a Method II CAH.

B. Policy: Both Method I (Standard Method) and Method II CAHs bill for technical services furnished in the outpatient department. Only Method II CAHs bill the Fiscal Intermediary (FI) for physician services furnished in the outpatient department.

Physician involvement in the administration of LOCM shall be submitted on type of bill (TOB) 85X with Revenue Code 096X, 097X or 098X and an appropriate outpatient hospital visit CPT code for evaluation and management (E & M) services. Payment is made based on the Medicare Physician Fee Schedule (MPFS).

The technical component for LOCM is billed with Revenue Code 0636 and HCPCS codes Q9945, Q9946, Q9947, Q9948, Q9949, Q9950 or Q9951 on TOB 85X. Payment is made based on cost.

Method II CAHs billing under TOB 85X shall report physician involvement for hydration; therapeutic or diagnostic injections and intravenous (IV) infusions (other than hydration); and chemotherapy administration using an appropriate outpatient hospital visit CPT code for E & M services with Revenue Code 096X, 097X or 098X.

Please note that a revision to the Medicare Claims Processing Manual, Chapter 3, §30.1.3 is also included with this CR. This section has been revised to reflect that computing reasonable compensation and related costs for emergency room on-call coverage is based on the dates of service. Previously this section stated that the computation was based on cost reporting periods. There are no policy changes attached to the change in the manual §30.1.3.

II. BUSINESS REQUIREMENTS

"Shall" denotes a mandatory requirement

Requirement Number	Requirements	Responsibility (“X” indicates the columns that apply)							
		F I	R H I	C a r r i e r	D M E R C	Shared System Maintainers			
F I S S	M C S					V M S	C W F		
4234.6	A provider education article related to this instruction will be available at www.cms.hhs.gov/medlearn/matters shortly after the CR is released. You will receive notification of the article release via the established "medlearn matters" listserv. Contractors shall post this article, or a direct link to this article, on their Web site and include information about it in a listserv message within 1 week of the availability of the provider education article. In addition, the provider education article shall be included in your next regularly scheduled bulletin and incorporated into any educational events on this topic. Contractors are free to supplement Medlearn Matters articles with localized information that would benefit their provider community in billing and administering the Medicare program correctly.	X							

IV. SUPPORTING INFORMATION AND POSSIBLE DESIGN CONSIDERATIONS

A. Other Instructions: N/A

X-Ref Requirement #	Instructions

B. Design Considerations: N/A

X-Ref Requirement #	Recommendation for Medicare System Requirements

C. Interfaces: N/A

D. Contractor Financial Reporting /Workload Impact: N/A

E. Dependencies: N/A

F. Testing Considerations: N/A

V. SCHEDULE, CONTACTS, AND FUNDING

<p>Effective Date: April 3, 2006</p> <p>Implementation Date: April 3, 2006</p> <p>Pre-Implementation Contact(s): Susan Guerin at 410-786-6138 or susan.guerin@cms.hhs.gov; Cindy Murphy at 410-786-5733 or cindy.murphy@cms.hhs.gov.</p> <p>Post-Implementation Contact(s): Appropriate regional office</p>	<p>No additional funding will be provided by CMS; contractor activities are to be carried out within their FY 2006 operating budgets.</p>
---	--

*Unless otherwise specified, the effective date is the date of service.

30.1.3 - Costs of Emergency Room On-Call Providers

(Rev. 803, Issued: 01-03-06, Effective: 04-03-06, Implementation: 04-03-06)

For *dates of service* on or after January 1, 2005, the reasonable costs of outpatient CAH services may include the reasonable compensation and related costs for an emergency room provider who is on call but not present at the premises of the CAH, if the provider is not otherwise furnishing provider services and is not on call at any other provider or facility. The costs are allowable only if they are incurred under a written contract that requires the provider to come to the CAH when the provider's presence is medically required. An emergency room provider must be a doctor of medicine or osteopathy, physician assistant, nurse practitioner, or clinical nurse specialist who is immediately available by telephone or radio contact, and available on site, on a 24-hour a day basis, within 30 minutes, or within 60 minutes in areas described in 42 CFR 1395(g)(5).

For *dates of service* from October 1, 2001, through December 31, 2004, this provision covers only emergency room physicians. An emergency room physician must be a doctor of medicine or osteopathy.

Medicare Claims Processing Manual

Chapter 4 - Part B Hospital (Including Inpatient Hospital Part B and OPPS)

Table of Contents

(Rev.803, 01-03-06)

250.8 - Coding for Administering Drugs in a Method II CAH

250.8.1 - Coding for Low Osmolar Contrast Material (LOCM)

250.8.2 - Coding for the Administration of Other Drugs and Biologicals

250.8 – Coding for Administering Drugs in a Method II CAH

(Rev. 803, Issued: 01-03-06, Effective: 04-03-06, Implementation: 04-03-06)

This section provides billing guidance and payment instructions for hospitals when providing drugs and drug administration services in a Method II CAH.

250.8.1 – Coding for Low Osmolar Contrast Material (LOCM)

(Rev. 803, Issued: 01-03-06, Effective: 04-03-06, Implementation: 04-03-06)

Method II CAHs bill the outpatient physician involvement (professional component) for the administration of Low Osmolar Contrast Material (LOCM) with revenue code 96X, 97X or 98X on type of bill (TOB) 85X. Bills must include an appropriate outpatient hospital visit CPT code for evaluation and management (E & M).

The technical component for LOCM may be billed by both Method I and Method II CAHs with revenue code 636 and one of the following HCPCS codes as appropriate:

- Q9945 Low osmolar contrast material (up to 149 mg/ml iodine concentration, per ml);*
- Q9946 Low osmolar contrast material (150 - 199 mg/ml iodine concentration, per ml);*
- Q9947 Low osmolar contrast material (200 - 249 mg/ml iodine concentration, per ml);*
- Q9948 Low osmolar contrast material (250 - 299 mg/ml iodine concentration, per ml);*
- Q9949 Low osmolar contrast material (300 - 349 mg/ml iodine concentration, per ml);*
- Q9950 Low osmolar contrast material (350 - 399 mg/ml iodine concentration, per ml); and*
- Q9951 Low osmolar contrast material (400 or greater mg/ml iodine concentration, per ml).*

250.8.2 – Coding for the Administration of Other Drugs and Biologicals

(Rev. 803, Issued: 01-03-06, Effective: 04-03-06, Implementation: 04-03-06)

Outpatient physician involvement for hydration; therapeutic or diagnostic injections and intravenous (IV) infusions (other than hydration); and chemotherapy administration in a

Method II CAH is included in the physicians evaluation and management (E & M) services. Bills must include an appropriate outpatient hospital visit E & M CPT code with revenue code 96X, 97X or 98X on TOB 85X.

See §250.2 for information on fee schedule payment for professional services.